(c) Loan agreements against the above Japanese pledge of 119.640 million Yen for the year 1993-94 have not been concluded so far. Loan agreements against the aid pledges of previous years were concluded in the respective years. The Japanese Official Development Assistance carries a rate of interest of 2.6% per annum and is repayable over a period of 30 years including a grace period of 10 years. Japanese Grant assistance has no repayment liability on Government of India.

Sale of Public Sector Shares

1918. SHRI PRAMOD MAHAJAN: Will the Minister of FINANCE be pleased to state:

(a) what are the names of Mutual Funds and Financial Institutions to which Public Sector shares were sold during the first two rounds of disinvestment;

(b) the number and value of shares sold to each institutions by each Public Sector Undertaking;

(c) on what date, the Ministry of Finance and the Union Cabinet took a decision in this regard and what are the details of the decision;

(d) who are the final gainers in the entire process of disinvestment of Government equity;

(e) what is the extent of loss caused to the Exchequer by each Public Undertaking is the sale of shares; and

(f) whether any lock-in period for the sale of the shares was imposed, if not, what are the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) to (f) The information is being collected and will be laid on the Table of the House.

National Holiday Observance in GIC

1919. SHRI PRAKASH YASHWANT AMBEDKAR: Will the Minister of FINANCE be pleased to state:

(a) whether 14th April, 1993 was declared as National holiday.

(b) whether General Insurance Corporation granted the said holiday to its employees; and

(c) if not what are the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) Yes, Sir.

(b) and (c) GIC observed the holiday only in States where State Governments had declared 14th April, 1993 as a public Holiday under Negotiable Instruments Act, 1861.

Functioning of Foreign Banks

1920. SHRI KRISHNAN LAL SHARMA: Will the Minister of FINANCE be pleased to state:—

(a) whether it is a fact that the services of foreign banks operating in the country at present are confined to a particular category of people;

(b) if so, what are the details thereof and what are the reasons therefor;

(c) whether it is also a fact that these foreign banks are required to advance 15 per cent of the loan to priority sector;

(d) if so, what is the percentage of the loans advanced to private sector during the last three years;

(e) whether Government propose to bring these foreign banks in the main banking stream of the country and if not, what are the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b) The branches of foreign banks operating in the country are located in metropolitan and other big cities and port towns. These banks insist on larger minimum balances in deposit accounts which discourages small depositors. The services of these banks are however, not restricted to any particular category of people.

(c) The foreign banks operating in India were required to advance at least 15 per cent of their net bank credit to priority sector upto 30th June, 1993. The target of priority sector advances for foreign banks has since been increased to 32 per cent to be achieved by them by March, 1994.

(d) During the last three years, the percentage of priority sector advances of foreign banks was as under:—

March, 1990	9.8%
March, 1991	9.4%
March, 1992	7.8%

(e) The provisions of the Banking Regulation Act and other Acts relating to banking transactions are equally applicable to foreign and Indian banks. The foreign banks operating in India undertake all kinds of banking business as undertaken by Indian banks.

SEBI Inspection of Stock Exchanges

1921. SHRI N.E. BALARAM: Will the Minister of FINANCE be pleased to state:

(a) what are the details of powers vested in Securities and Exchange Board of India (SEBI) to regulate the functioning of the stock exchanges;

(b) what are the details of specific directives/instructions issued by SEBI to the Stock Exchanges after enactment of SEBI Act to improve their functioning;

(c) whether SEBI has directed the Gauhati Stock Exchange to appoint an Executive Director and a Secretary; if so, whether this directive has been complied with; if not, what are the reasons therefor;

(d) what are the names of Stock Exchanges inspected by SEBI during the last two years and so far; in the current year month-wise details;

(e) the deficiencies and malpractices identified by SEBI in the said inspections; each Stock Exchange-wise details;

(f) the remedial measures taken to check such deficiencies and stop such malpractices; each Stock Exchange-wise details; and

(g) whether SEBI proposes to conduct inspection of Gauhati Stock Exchange during the current year; if so, by when and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) Under the SEBI Act 1992, SEBI has the following main powers over the functioning of the Stock Exchanges:

(i) regulating the business in Stock Exchanges;

(ii) registering and regulating the working of, inter alia, stock brokers, sub-brokers, portfolio managers, and investment advisers;

(iii) prohibiting fraudulent and unfair trade practices realting to securities markets;

(iv) prohibiting insider trading in securities;

(v) calling for information from, undertaking inspection, conducting inquiries and audits of the stock exchanges and intermediaries and self-regulatory organisations in the securities market.

The SEBI Act has also made amendments to the Securities Contracts (Regulation) Act 1956 (SCR Act). Consequently, important powers such as those under Section 6 dealing with power to call for periodical returns or direct inquiries to be made and Sections 9 and 10 dealing with making or amending bye-laws of Stock Exchanges are vested with SEBI with effect from 21st February, 1992 i.e. the date of establishment of the Board. Further, Government issued a notification on 30th July, 1992 in exercise of the powers conferred by Section 29A of the SCR Act 1956, directing that the powers exercisable, by it under sub-section (5) of section 4, section 7, section 8, section 11, section 12 and section 16 of the said Act shall also be exercisable by the Securities and Exchange Board of India.

(b) to (g) Information is being collected and will be laid on the Table of the House.